

Saugatuck Township Fire District
Allegan County, Michigan
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
Year ended June 30, 2008

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Saugatuck Township Fire District

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Saugatuck Township Fire District's (the Fire District) financial performance provides a narrative overview of the Fire District's financial activities for the year ended June 30, 2008. Please read it in conjunction with the Fire District's financial statements.

FINANCIAL HIGHLIGHTS

- The Fire District's total net assets increased by \$169,489 as a result of this year's activities.
- Total net assets, in the amount of \$1,356,526, were reported, of which \$784,441 is invested in capital assets. This leaves the Fire District with unrestricted net assets of \$572,085.

Overview of the financial statements

The Fire District's annual financial report is comprised of three parts: the management's discussion and analysis, the basic financial statements, and required supplementary information. The notes to the basic financial statements provide additional information that is necessary to understand the data reported in the financial statements.

The basic financial statements include information that presents two different views of the Fire District:

- The first column of the financial statements includes information on the Fire District's General Fund under the modified accrual method of accounting. These fund financial statements focus on current financial resources and provide a more detailed view of the accountability of the Fire District's sources and uses of funds.
- The adjustments column of the financial statements represents adjustments necessary to convert the fund financial statements to the government-wide financials statements under the full accrual method of accounting.
- The third column presents the Fire District's operations on a full accrual basis, which provides both short- and long-term financial information about the Fire District's financial status. The government-wide statements report information about the Fire District as a whole using accounting methods similar to those used by private-sector companies.

The statement of net assets reports all of the Fire District's assets and liabilities along with the difference between the two, which is identified as net assets. Over time, increases or decreases in net assets may serve as a useful indicator as to whether the Fire District's financial position is improving or deteriorating. However, other factors must also be considered when evaluating the overall financial position such as the condition of the Fire District's capital assets.

The statement of activities shows how the Fire District's net assets changed during the fiscal year. All changes in net assets are reported when the underlying events giving rise to the changes occur, regardless of the timing of related cash flows. This statement should help the reader to answer the question: Is the Fire District, better off or worse off as a result of this year's activities?

Saugatuck Township Fire District
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL ANALYSIS OF THE FIRE DISTRICT

Net assets. As noted earlier, net assets may serve over time as a useful indicator of a Fire District's financial position. In the Fire District's case, assets exceeded liabilities at the end of the fiscal year by \$1,356,526. The Fire District's investment in capital assets, a component of the total net assets, amounts to \$784,441. The Fire District uses these capital assets to provide essential services to its customers; consequently, these assets are not available to be liquidated for future spending needs. The remaining net assets, in the amount of \$572,085, is unrestricted.

Condensed financial information
Net assets

	<u>2008</u>	<u>2007</u>
Current assets	\$ 597,970	\$ 434,062
Capital assets	<u>784,441</u>	<u>778,922</u>
Total assets	<u>1,382,411</u>	<u>1,212,984</u>
Current liabilities	25,885	25,947
Net assets:		
Invested in capital assets	784,441	778,922
Unrestricted	<u>572,085</u>	<u>408,115</u>
Total net assets	<u>\$ 1,356,526</u>	<u>\$ 1,187,037</u>

Changes in net assets. The Fire District experienced an increase in net assets of \$169,489 during the current fiscal year compared to a \$72,244 increase in the prior year. The increases occurred because property taxes and other revenues have been sufficient to cover expenses during the past two fiscal years. The increase in net assets was higher in 2008 due to the 14% growth in property tax revenue.

The Fire District's total revenues were \$685,132 in the current fiscal year. Property taxes, in the amount of \$604,948, represent 88 percent of the District's revenues.

The total cost of the Fire District's operations amounted to \$515,643 in 2008 compared to \$484,914 in 2007, or an increase of \$30,729 (more than 6%). Nearly 50 percent of the expenses, in the amount of \$248,094 are personnel costs. Depreciation expense, in the amount of \$56,439, represents nearly 11% of the Fire District's expenses.

Saugatuck Township Fire District
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Condensed financial information
Changes in net assets

	<u>2008</u>	<u>2007</u>
Revenues:		
Property taxes	\$ 604,948	\$ 528,807
Federal grant	60,221	-
Interest	13,871	14,858
Other	<u>6,092</u>	<u>13,493</u>
Total revenues	685,132	557,158
Expenses	<u>515,643</u>	<u>484,914</u>
Increase in net assets	<u>\$ 169,489</u>	<u>\$ 72,244</u>

FINANCIAL ANALYSIS OF THE FIRE DISTRICT'S FUND

The Fire District's only fund is its Operating Fund. The Operating Fund is presented in the first column of the financial statements. The fund column provides detailed information about the Operating Fund using the modified accrual method of accounting which is a short-term perspective that measures the flow of financial resources. At the end of the fiscal year, the unreserved fund balance was \$572,085, which represents 110 percent of the actual total Operating Fund expenditures for the current fiscal year. The fund balance increased by \$163,970 primarily due to the increase in property tax revenue.

General Fund budgetary highlights

The difference between the original budget and the final amended budget for expenditures was a decrease of \$73,975. The budgeted expenditures were decreased to reflect changes in expected capital outlay expenditures during the year.

Revenues were \$66,662 more than budgeted because a \$60,221 federal grant was not included in the budget. Expenditures were \$25,333 less than the amounts appropriated primarily because personnel costs were \$10,203 less than anticipated.

These variances resulted in a \$91,995 positive budget variance and a \$163,970 increase in fund balance compared to a budgeted increase of \$71,975.

Capital assets and debt administration

Capital assets

The Fire District's investment in capital assets as of June 30, 2008, amounts to \$784,441 (net of accumulated depreciation). Capital assets consist of land, buildings, equipment, and vehicles. The net increase in capital assets amounted to \$5,519. This year's major capital events related to the purchase of a compressed air foam system and a first responder truck. More detailed information about the Fire District's capital assets is presented in Note 4 of the notes to the financial statements.

Debt

The Fire District has no debt at the beginning or end of the current fiscal year.

Saugatuck Township Fire District
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Economic condition and outlook

Planning for capital expenditures over recent budget years has allowed funding for the purchase of a new 2008 Spencer pumper truck to replace our oldest pumper. This will be a capital expenditure of \$310,000. The addition of the unit will help to maintain our ISO rating.

The Fire District was awarded two grants during FY 07/08. A FEMA grant was awarded, in the amount of \$63,390, for the purchase of six small CAF (Compressed Air Foam) systems, an all-terrain vehicle for emergency response in remote areas, and 2,000 feet of 5" hose. An Allegan County grant was awarded in the amount of \$1,695 for the purchase of a laptop computer and software to be used for fire inspection work. Both of these grants allowed the Fire District to purchase essential equipment that would otherwise require funding through traditional means.

Goals for FY 2008/2009:

- Complete purchase and put into service the new Spencer Pumper unit.
- Replace additional quantity of aluminum SCBA bottles with light-weight carbon fiber bottles.
- Increase roster of Firefighters/First Responders by five.
- Sponsor Firefighter I & II classes at our station during fall/winter.
- Complete installation of new CAF units in grass vehicles and one pumper.

Long-term capital planning:

- Plan for purchase of new cab & chassis with diesel engine for Heavy Rescue unit 1123
- Plan for a replacement Aerial Platform (Tower) with higher reach to accommodate the trend towards taller buildings in the community.

Contacting the Fire District's financial management

This financial report is designed to provide a general overview of the Fire District's finances to its customers and creditors, and to demonstrate the Fire District's accountability for the money it receives. Questions regarding any information provided in this report or requests for additional financial information should be addressed to:

William Kaye, Chairman
Saugatuck Township Fire District
3461 Blue Star Highway
Saugatuck, MI 49453

Phone: (616) 857-7721

INDEPENDENT AUDITORS' REPORT

**Members of the Board
Saugatuck Township Fire District**

We have audited the accompanying financial statements of the governmental activities and the major fund of the Saugatuck Township Fire District as of June 30, 2008, and for the year then ended, which collectively comprise the Fire District's basic financial statements, as listed in the contents. These financial statements are the responsibility of the Fire District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major fund of the Saugatuck Township Fire District as of June 30, 2008, and the respective changes in financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

The management discussion and analysis and the budgetary comparison information are not required parts of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Siegfried Crandall P.C.

October 21, 2008

BASIC FINANCIAL STATEMENTS

Saugatuck Township Fire District**STATEMENT OF NET ASSETS AND GOVERNMENTAL FUND BALANCE SHEET**

June 30, 2008

	<u>Operating Fund</u>	<u>Adjustments</u>	<u>Statement of net assets</u>
ASSETS			
Cash	\$ 63,303	\$ -	\$ 63,303
Investments	524,051	-	524,051
Prepays	10,616	-	10,616
Land	-	22,726	22,726
Capital assets, net	-	761,715	761,715
Total assets	<u>\$ 597,970</u>	<u>784,441</u>	<u>1,382,411</u>
LIABILITIES			
Payables	\$ 25,885	-	25,885
FUND EQUITY			
Fund balance - unreserved, undesignated	<u>572,085</u>	<u>(572,085)</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 597,970</u>		
NET ASSETS			
Invested in capital assets		784,441	784,441
Unrestricted		<u>572,085</u>	<u>572,085</u>
Total net assets		<u>\$ 1,356,526</u>	<u>\$ 1,356,526</u>
Total fund balance			\$ 572,085
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
			<u>784,441</u>
Total net assets			<u>\$ 1,356,526</u>

See notes to financial statements

Saugatuck Township Fire District**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE***Year ended June 30, 2008*

	<u>Operating Fund</u>	<u>Adjustments</u>	<u>Statement of activities</u>
REVENUES			
Property taxes	\$ 604,948	\$ -	\$ 604,948
Interest	13,871	-	13,871
State grants	60,221	-	60,221
Other	<u>6,092</u>	<u>-</u>	<u>6,092</u>
Total revenues	<u>685,132</u>	<u>-</u>	<u>685,132</u>
EXPENDITURES/EXPENSES			
Public safety	427,794	87,849	515,643
Capital outlay	<u>93,368</u>	<u>(93,368)</u>	<u>-</u>
Total expenditures/expenses	<u>521,162</u>	<u>(5,519)</u>	<u>515,643</u>
NET CHANGE IN FUND BALANCE/NET ASSETS	163,970	5,519	169,489
FUND BALANCE/NET ASSETS - BEGINNING	<u>408,115</u>	<u>778,922</u>	<u>1,187,037</u>
FUND BALANCE/NET ASSETS - ENDING	<u>\$ 572,085</u>	<u>\$ 784,441</u>	<u>\$ 1,356,526</u>
Net change in fund balance			\$ 163,970
Amounts reported in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their useful lives as depreciation expense.			
Add: asset acquisitions			68,920
Less: depreciation provision			(56,439)
Less: basis of assets disposed			<u>(6,962)</u>
Change in net assets			<u>\$ 169,489</u>

See notes to financial statements

Saugatuck Township Fire District
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Saugatuck Township Fire District (Fire District) conform to U.S. generally accepted accounting principles (hereinafter referred to as generally accepted accounting principles) as applicable to governments. The following is a summary of the more significant policies:

a) Reporting entity:

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, these financial statements present the Fire District. The criteria established by the GASB for determining the reporting entity include oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included. The Fire District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a blended or discretely presented component unit in the Fire District's financial statements.

The Fire District is a jointly governed organization of the Township of Saugatuck, the City of Saugatuck, and the City of the Village of Douglas formed May 18, 1976, to provide fire protection within the participating municipalities. Costs of operations and capital expenditures are supported by contributions from the participating municipalities.

b) Basis of accounting:

The statement of net assets and the statement of activities are reported using the economic resources, measurement focus, and the accrual basis of accounting. Revenue is recorded when earned and expenses when a liability is incurred, regardless of timing of related cash flows. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by provider have been met.

The Operating Fund financial statements are reported using the current financial resources, measurement focus, and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available if collected in the current period or expected to be collected within 60 days of the end of the current fiscal year end. Expenditures are generally recognized when the related liability is incurred.

c) Assets and liabilities:

i) Bank deposits and investments - Cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value.

ii) Capital assets - Capital assets, which include land, buildings, equipment, and vehicles, are defined by the Fire District as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	20 - 40 years
Equipment	10 - 20 years
Vehicles	5 - 15 years

Saugatuck Township Fire District
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

Budgetary information

An annual budget is adopted on a basis consistent with generally accepted accounting principles for the Operating Fund. The budget document presents information by function and line-item. The legal level of budgetary control adopted by the governing body is the functional level. All annual appropriations lapse at the end of the fiscal year. No budget variances were experienced in the current fiscal year.

NOTE 3 - DEPOSITS AND INVESTMENTS:

Cash consists of the following

Deposits	\$ 63,303
Investments	<u>524,051</u>
	<u>\$ 587,354</u>

a) Deposits with financial institutions:

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) and the Fire District's investment policy authorize the Fire District to make deposits in the accounts of federally-insured banks, credit unions, and savings and loan associations that have an office in Michigan. The Fire District's deposits are in accordance with statutory authority.

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits. Deposits are exposed to custodial credit risk if they are not covered by depository insurance. At June 30, 2008, none of the Fire District's bank balances of \$63,303 was exposed to custodial credit risk. The Fire District evaluates each financial institution with which it deposits funds and assesses the risk level of each institution. Only the institutions with an acceptable estimated risk level are used as depositories.

b) Investments:

State statutes authorize the Fire District to invest in: a) obligations of the U.S. Treasury, agencies, and instrumentalities; b) commercial paper, within three highest rate classifications by at least two national rating services, maturing not later than 270 days; c) repurchase agreements, collateralized by U.S. governmental securities; d) bankers' acceptances; and e) investment pools, such as common trust funds and mutual funds that invest in those investments allowed by state statute. The Fire District's investments consist of holdings in a local governmental investment pool, which is a non-risk categorized, qualifying investment, that are carried at market value.

Saugatuck Township Fire District
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 - CAPITAL ASSETS:

Capital asset activity of the Fire District for the year was as follows:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
Governmental activities:				
Capital assets not being depreciated - land	\$ 22,726	\$ -	\$ -	\$ 22,726
Capital assets being depreciated:				
Buildings	374,643	-	-	374,643
Equipment	216,072	53,850	-	269,922
Vehicles	758,180	15,070	(12,000)	761,250
Subtotal	<u>1,348,895</u>	<u>68,920</u>	<u>(12,000)</u>	<u>1,405,815</u>
Less accumulated depreciation for:				
Buildings	(161,796)	(8,499)	-	(170,295)
Equipment	(113,071)	(21,555)	-	(134,626)
Vehicles	(317,832)	(26,385)	5,038	(339,179)
Subtotal	<u>(592,699)</u>	<u>(56,439)</u>	<u>5,038</u>	<u>(644,100)</u>
Total capital assets being depreciated, net	<u>756,196</u>	<u>12,481</u>	<u>(6,962)</u>	<u>761,715</u>
Governmental activities capital assets, net	<u>\$ 778,922</u>	<u>\$ 12,481</u>	<u>\$ (6,962)</u>	<u>\$ 784,441</u>

NOTE 5 - PAYABLES:

Payables for the Fire District as of year end are as follows:

<u>Fund</u>	<u>Accounts</u>	<u>Payroll</u>	<u>Total</u>
Operating	<u>\$ 6,650</u>	<u>\$ 19,235</u>	<u>\$ 25,885</u>

Saugatuck Township Fire District
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 - RISK MANAGEMENT:

The Fire District is exposed to various risks of loss to general liability, property and casualty, and workers' compensation, with such risks being managed through the purchase of commercial insurance.

NOTE 7 - PENSION PLANS:

a) Defined Contribution Plan

The Fire District provides pension benefits for substantially all of its volunteer employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Michigan state statute assigns the authority to establish and amend benefit provisions to the Fire District Board of Trustees. The Fire District is not a trustee of the plan, nor is the District responsible for investment management of plan assets. The Fire District made the required contribution of \$10,293 for the year ending June 30, 2008.

b) Defined Benefit Plan

The full-time employees of the Saugatuck Township Fire District participate in the Michigan Municipal Employees' Retirement System ("System"), a multi-employer public retirement system.

Employees who retire at or after age sixty with ten years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 2.25% of final average compensation, with a maximum benefit of 80% of final average compensation. Final average compensation is the employee's average salary over the last five years of credited service. Benefits fully vest upon reaching ten years of service.

Vested employees may retire at or after age fifty with specified years of credited service and receive reduced retirement benefits. The System also provides death and total disability benefits, and certain post-retirement adjustments to the amount of retirement benefits.

The Fire District is required by state statute to contribute actuarially-determined amounts necessary to pay benefits when due. The MERS issues a publicly-available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Municipal Employees' Retirement System of Michigan, 447 N. Canal, Lansing, Michigan 48917, or by calling 1-800-767-6377.

Funding policy:

Contribution rates for each participating employer and its covered employees are established, and may be amended, by each participating unit. The contribution rates are determined based on the benefit structure established by each employer. Covered employees are not required to contribute to the plan. Participating employers are required to contribute amounts necessary to finance the coverage of their employees through periodic contributions at actuarially-determined rates. Administrative costs of the plan are financed through investment earnings.

Saugatuck Township Fire District
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 8 - PENSION PLAN (Continued):

Annual pension cost:

For the year ended June 30, 2008, the Fire District's annual pension cost was \$14,765. The required contribution was determined as part of the December 31, 2005, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included a) 8% investment rate of return, net of administrative expenses, b) projected salary increases of 4.5% per year, and c) an added percentage based on an age-related scale to reflect merit, longevity, and promotional salary increases. The actuarial value of the plan's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized over a closed period of 30 years as a level percentage of payroll.

Three-year trend information is as follows:

<i>Fiscal year ending</i>	<i>Annual pension cost (APC)</i>	<i>Percentage of APC contributed</i>	<i>Net pension obligation</i>
6/30/2006	\$ 41,740	100%	-
6/30/2007	40,226	100%	-
6/30/2008	14,765	100%	-

Funded status and funding progress:

The funded status of the plan as of December 31, 2007, the most recent actuarial date, is as follows:

<i>Actuarial value of assets (a)</i>	<i>Actuarial accrued liability (AAL) entry age (b)</i>	<i>Unfunded AAL (UAAL) (b-a)</i>	<i>Funded ratio (a/b)</i>	<i>Covered payroll (c)</i>	<i>UAAL as a percentage of covered payroll ((b-a)/c)</i>
\$373,103	\$ 380,728	\$ 7,625	98%	\$119,853	6%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Certain other accounting policies and plan asset matters are discussed in greater detail in the District's actuarial valuation.

REQUIRED SUPPLEMENTARY INFORMATION

Saugatuck Township Fire District
BUDGETARY COMPARISON SCHEDULE - Operating Fund
Year ended June 30, 2008

	<u>Original budget</u>	<u>Amended budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES				
Property taxes:				
Township of Saugatuck	\$ 302,450	\$ 302,450	\$ 302,264	\$ (186)
City of the Village of Douglas	161,520	161,520	161,270	(250)
City of Saugatuck	141,500	141,500	141,414	(86)
Federal grant	-	-	60,221	60,221
Interest	15,000	13,000	13,871	871
Other	-	-	6,092	6,092
	<u>620,470</u>	<u>618,470</u>	<u>685,132</u>	<u>66,662</u>
Total revenues				
EXPENDITURES				
Public safety:				
Salaries and wages:				
Chief	54,590	54,590	54,638	(48)
Board and officers	91,498	91,498	90,510	988
Firemen and responder	67,000	67,000	59,066	7,934
Other	25,709	25,709	25,779	(70)
Payroll taxes	19,500	19,500	18,101	1,399
Telephone	7,000	7,000	7,751	(751)
Repairs and maintenance:				
Equipment	10,000	12,000	9,318	2,682
Radio	5,000	1,000	705	295
Building	3,000	3,000	2,877	123
Boat	4,000	4,000	3,166	834
Gas, oil, and supplies	20,000	20,000	17,129	2,871
Insurance	63,000	64,700	61,364	3,336
Health insurance	11,400	11,400	10,828	572
Retirement	28,000	25,300	25,058	242
Utilities	14,000	11,000	11,119	(119)
Rent	1,200	1,200	1,200	-
Professional services	2,400	2,000	2,000	-
Inspections	3,300	3,800	3,016	784
Bookkeeping	3,713	3,713	4,614	(901)
Education	8,000	2,000	1,691	309
Medical supplies	6,000	4,000	3,108	892
Promotions	3,500	3,500	2,853	647
Miscellaneous	11,985	13,585	11,903	1,682
	<u>463,795</u>	<u>451,495</u>	<u>427,794</u>	<u>23,701</u>
Total public safety				

Saugatuck Township Fire District**BUDGETARY COMPARISON SCHEDULE - Operating Fund (Continued)***Year ended June 30, 2008*

	<i><u>Original budget</u></i>	<i><u>Amended budget</u></i>	<i><u>Actual</u></i>	<i><u>Variance favorable (unfavorable)</u></i>
EXPENDITURES (Continued)				
Capital outlay	<u>\$ 156,675</u>	<u>\$ 95,000</u>	<u>\$ 93,368</u>	<u>\$ 1,632</u>
Total expenditures	<u>620,470</u>	<u>546,495</u>	<u>521,162</u>	<u>25,333</u>
NET CHANGE IN FUND BALANCES	-	71,975	163,970	91,995
FUND BALANCES - BEGINNING	<u>408,115</u>	<u>408,115</u>	<u>408,115</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 408,115</u>	<u>\$ 480,090</u>	<u>\$ 572,085</u>	<u>\$ 91,995</u>

Saugatuck Township Fire District
SCHEDULE OF FUNDING PROGRESS
Employee Retirement System
(Municipal Employees' Retirement System of Michigan)

<i>Actuarial valuation date <u>December 31,</u></i>	<i>Actuarial value of assets <u>(a)</u></i>	<i>Actuarial accrued liability (AAL) entry age <u>(b)</u></i>	<i>Unfunded AAL (UAAL) <u>(b-a)</u></i>	<i>Funded ratio <u>(a/b)</u></i>	<i>Covered payroll <u>(c)</u></i>	<i>UAAL as a percentage of covered payroll <u>((b-a)/c)</u></i>
2001	\$ 83,735	\$ 221,064	\$ 137,329	38%	\$103,262	133%
2002	136,059	245,978	109,919	55%	128,969	85%
2003	210,257	271,239	60,982	78%	132,030	46%
2004	276,014	314,922	38,908	88%	42,387	92%
2005	309,748	329,000	19,252	94%	80,276	24%
2006	347,556	354,789	7,233	98%	87,414	8%
2007	373,103	380,728	7,625	98%	119,853	6%